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CITY OF OAKLAND



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Office of the City Administrator
P. Lamont Ewell
Interim City Administrator

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May 24, 2011

Finance and Management Committee

Oakland, California

Chair De La Fuenle and Members of the Finance and Management Committee

RE: Discussion and Possible Action on the Contracting Process and Timeline
for Various Agencies

SUMMARY

At the April 12, 2011 meeting, the Committee requested the following additional information regarding the City's contracting process: 1) the City Attorney's contracting processes; 2) the City Auditor's contracting processes; 3) a real-time estimate of each task in the process; 4) a procurement to payment print out of actual time taken in each step of the process; and 5) the amount of time it takes to initiate the process and pay a vendor after Council has approved the contract.

The offices of the City Attorney and City Auditor are producing separate reports for the Committee meeting.

FISCAL IMPACT

This is an informational report. There are no known fiscal impacts at this time.

BACKGROUND

This report provides additional information on the City's contracting processes as requested by the Committee. Staff recently presented a report detailing average contracting time-lines from various City departments. (See April 12, 2011 Committee

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report, Attachment A). Staff also presented a report detailing construction contract processes and timelines. (See March 22, 2011 Committee report, Attachment B). Information was presented regarding strategies and activities being implemented to significantly streamline and reduce the construction contracting process and timeline.

The City Administration has prioritized improving the City's contracting and purchasing processes. An inter-departmental committee was formed to provide recommendations, and implement changes. Key improvements include the following:

- ❖ Streamlining the construction contracting process to reduce the average timeline by approximately 104 days (from 272 to 168 days)
- ❖ Streamlining the purchasing process to reduce the average timeline for catalog purchase orders by approximately 18 days (from 21 to 3 days).
- ❖ Developed a new process for professional services contracts to reduce the average timeline by approximately 20 days (from 145 to 125 days).
- ❖ Working with the City Attorney's office, developed strategies to reduce contractor burden and time, including streamlining contract documents to reduce paperwork

KEY ISSUES AND IMPACTS

As requested by the Finance and Management Committee, the following is an estimate of tasks in the contracting process.

I. TIMELINES FOR RELEVANT CONTRACT ADMINISTRATION TASKS

As discussed in the April 12, 2011 report, the Department of Contracting and Purchasing (DCP) administers the majority of contracts for the City, including contracts for construction, professional services, and goods and commodities. The Community Economic Development Agency (CEDA) and Department of Human Services (DHS) separately administer contracts for grants and loans. The April 12, 2011 report provided contract administration timelines for various City departments, including police, fire, and library.

This report focuses on information relevant to the three agencies that administer the majority of the City's contracts—DCP, CEDA, and DHS.

**A. Contracts Administered by the Department of Contracting and Purchasing—
 Construction, Professional Services, and Goods & Commodities**

Based upon an analysis of 45 professional services contracts administered by DCP in 2010 and 11 contracts administered in 2009, the average contracting timeline was 136 calendar days, which amounted to 91 working days. Information regarding the contract administration timeline for construction contracts is provided in the March 22, 2011 Committee report. See Attachment B.

In addition, committee members requested information on any mandated timelines associated with the contracting timeline. There is one timeline requirement—the provision of at least ten calendar days to advertise formal bidding opportunities. OMC 2.04.050 A.

As requested by the Committee, a print-out from the Procure to Pay (P2P) system of contract administration projects is provided in Attachment C. The P2P system does not track specific tasks performed in the contract administration process.

As requested by Committee, a sample of the specific tasks performed by staff post-Council award is provided below. The timeline, however, does not reflect the follow-up time needed to answer questions from project managers or contractors and to address problems that may occur in the receipt of contract documents and other issues.

Area	Task	Time
Post Council Authorization	Receive and log work order (to include Schedule T, Contract Summary, and copy of Resolution) and pull project bid file, if appropriate, or create file.	½ hour
	Assign Contract Admin staff	¼ hour
Document Preparation	Staff reviews resolution, consultant proposal and RFP documents for requirements and language consistency to create the appropriate Agreement to match scope of work and other terms and conditions as reflected in published details.	1 hour
	Prepare contract packet to include:	½ hour
	▪ Cover letter outlining contents of packet and instruction	
	▪ Insurance/ Schedule Q	
	▪ W-9 form and copy of Tax License	
	▪ Requests any other required documents not submitted during time of proposal.	

Document Mail out and Receipt	The Analyst distributes the Agreement packet to the Consultant with 20 calendar day turnaround time.	¼ hour
	Consultant - Submit signed Agreement and requested documents to include insurance and all other documents noted. If all documents are not submitted or are not properly completed or a change in the Agreement is requested DCP staff will send emails or make follow-up calls to the consultant, insurance companies, Risk Management, City Attorney etc. as needed until all documents are received and complete for contract execution. The time involved varies widely and is difficult to assign.	Time varies greatly depending upon state of documents and contractor responsiveness
Signature Process	The Analyst reviews the returned Agreement packet for completeness and prepares it along with all appropriate documents for sign off by City Attorney, Agency Director or designee and City Administrator.	½ hour
	The City Attorney reviews the Agreement and appropriate documents as to form and legality, signs the Agreement and then returns to Department of Contracting and Purchasing (DCP) to forward to the appropriate Agency Director	Handled by other staff
	The Agency Director reviews and signs the Agreement and returns to DCP to forward to the City Administrator.	Handled by other staff
	The City Administrator signs the Agreement executing the Agreement and then returns it to DCP.	Handled by other staff
Purchase Order	A Purchase Order number is assigned and the Agreement, with all of the appropriate attachments, is prepared for distribution to (1) City Clerk, (2) Consultant, (3) Accounts Payable, (4) Project Manager, (5) Contract Administration, and (6) Social Equity.	½ hour

B. CEDA Grants and Loans

As discussed in the April 12, 2011 report, the timeline associated with administering different CEDA grants and loans varies and is dependent on whether special requirements are attached. The information provided below focuses on staff tasks to execute contracts after Council approval of the contracts. The overall timelines for contract administration is provided in the April 12, 2011 report.

1. Facade/Tenant Improvement Program (FIP/TIP) grants:

This redevelopment-led program currently executes 232 grant agreements per year. The FIP/TIP efforts include a portion of the time of eight program staff people, one administrative support staff person, and one part-time intern.

By contrast, four years ago the FIP/TIP work included 92 grant agreements per year, produced through a portion of the time of eight program staff people and two administrative support staff people.

FIP/TIP staff determined the timelines below by sampling 10 completed agreements from different redevelopment project areas which were executed in the last few years.

FIP/TIP AGREEMENT PREPARATION TASK	Avg. Time Taken	Notes
Draft grant agreement	1.5 weeks	
Gather supporting documents	2.5 weeks	Includes scope, budget, three bids for work, etc.
Insurance proof	1.5 weeks	Timely grantee responsiveness varies
Attorney review	n/a	Attorneys have pre-approved standard FIP/TIP agreement contents
Contractor signature	0.5 to 2 weeks	Timely grantee responsiveness varies
City signatures	2 to 3 weeks	Grants greater than \$15,000 require City Administrator signature, adding time to this step.
Contract tiled with Clerk	1-3 days	
TOTAL AGREEMENT PREP DURATION	8.5 to 11 weeks	Variables include contractor responsiveness and City signing authority required

FIP/TIP ENCUMBRANCE/PAYMENT TASK	Avg. Time Taken	Notes
Encumber funds via Purchase Order	n/a	FIP/TIPs are now nearly all done as Direct Payment requests, with no PO required. This speeds payment substantially
Direct payment request	2-3 days	From program staff to CEDA Fiscal to Accounts Payable
Check issued	2 weeks	
TOTAL PAYMENT DURATION	2.5 weeks	

2. Cultural Funding Program (CFP) grants:

Cultural Funding Program staff currently executes 57 grant agreements per year, with one-half (0.5 FTE) program staff position performing all of the contract preparation work.

By contrast, four years ago this program executed 75 grant agreements in a year, developed through the work of two program staff persons and one administrative support staff person.

Cultural Funding Program staff arrived at the timeline information below through a sample of 32 agreements executed during the 2010-11 Fiscal Year.

CFP AGREEMENT PREP TASK	Avg. Time Taken	Notes
Draft grant agreement	0.5 to 1 week after Council approval of funding awards	Agreements are mostly drafted prior to final Council action, then revised and finalized after.
Gather required schedules and get contractor signature	3 to 4 weeks	Timely grantee responsiveness varies
Insurance proof or Risk Mgt. waiver	2 weeks	Most grantees request waivers
Attorney review	2 weeks	

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City signatures	3 to 5 weeks	Three weeks if no City Administrator signature required (grants of \$15,000 or less); five weeks when CAO signature is required.
Contract filed with Clerk	1 week	
TOTAL AGREEMENT PREPARATION DURATION	11.5 to 15 weeks	

CFP ENCUMBRANCE/PAYMENT TASK	Avg. Time Taken	Notes
Encumber funds via Purchase Order	n/a	FY 10-11 agreements are being done as Direct Payments, with no PO required. This should speed payment substantially
Direct payment request	2-3 days	From program staff to CEDA Fiscal to Accounts Payable
Check issued	2 weeks	
TOTAL PAYMENT PROCESS DURATION	2.5 weeks	

3. Community Development Block Grant (CDBG) District-recommended awards:

CDBG staff developed 19 funding agreements for public services and neighborhood improvements as recommended through the Community Development Districts, and 10 fair housing and related services agreements, during the FY 09-11 two-year funding cycle. These agreements were developed with portions of staff time from 3 program staff and 1.5 administrative staff.

By contrast, during the FY 05-07 funding cycle, a total of 38 CDBG funding agreements of all types were executed, produced through a portion of the time of 3 program staff people and 1 administrative support staff person.

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CDBG staff arrived at the timeline information below through a sample of 14 agreements executed during the FY 09-11 period.

CDBG AGREEMENT PREP TASK	Avg. Time Taken	Notes
Draft grant agreement	2 weeks after all support docs received	Agreement drafting does not begin until after all components below are received.
Gather supporting documents	6 to 8 weeks	Timely subgrantee responsiveness varies widely. Four of 19 subgrantees submitted proper documents on time; others took much longer.
Insurance proof		
Attorney review	1 to 2 weeks	
Contractor signature	0.5 to 1 week	
City review and signatures	4 to 6 weeks	Includes Contract Compliance and Risk Management reviews, CEDA Division and Director approval, and City Administrator signatures.
Contract tiled with Clerk	1-2 days	
TOTAL AGREEMENT PREPARATION DURATION	14 to 19.5 weeks	Largest variables are timeliness and accuracy of subgrantee responses and complexity of City review required.

4. Affordable Housing Loans:

Staff currently execute 10 multiyear loans agreements and 3-5 other grant agreements per year, produced through the efforts of seven program staff people, one staff asset monitor (who monitors the 80+ existing developments), one temporary employee, one administrative support staff person, and one student trainee. In 2011, staff will also administer between 10-14 one-time weatherization grant agreements.

By contrast, around four years ago the program issued four to six loan agreements per year. This was prior to the addition of a Preservation and Rehabilitation NOFA for older affordable housing developments to the annual Housing NOFA process, which has added 4-6 additional loan agreements annually. This work four years ago was produced by six program staff people, one staff asset monitor, one student trainee, and one administrative support staff person.

Housing staff determined the timelines below by considering all loan agreements completed during the last year.

AFFORDABLE HOUSING LOAN AGREEMENT PREPARATION TASK	Avg. Time Taken	Notes
Draft grant agreement	1 week	
Negotiate agreement terms with borrowers/lenders/investors	4 to 10 weeks	Investors and lenders are more insistent about term negotiation points in current development conditions.
Gather required schedules and supporting documents	3 to 6 weeks	Longer times usually associated with construction-related document requirements
Insurance proof	0.5 to 1 week	
Attorney review	0.5 to 2 weeks for <u>each</u> round of agreement revisions through closing	Typically agreements require 2-3 such iterations, but reviews are parallel with above steps/times, not in addition to them
Borrower signature	2 to 3 days	
Contract Compliance review	1 to 2 weeks	
City signatures	2 to 3 weeks	CEDA Director and City Administrator
Contract tiled with Clerk	0	Completed at loan execution; no additional time required
TOTAL AGREEMENT PREPARATION DURATION	12 to 23.5 weeks	Chief variable is negotiation process complexity and duration

AFFORDABLE HOUSING LOAN AGREEMENT ENCUMBRANCE/PAYMENT TASK	Avg. Time Taken	Notes
Encumber funds via Purchase Order	n/a	Most housing development loans begin with a direct wire transfer of funds during escrow; POs are generally not required
Direct payment request	2 to 3 days	For each subsequent partial release of loan funds
Check issued	1 to 3 weeks	Typically, wire requests take about one week to process; check requests have been taking 2-3 weeks.
TOTAL PAYMENT DURATION	2 to 4 weeks	

5. Residential Lending and Rehabilitation Programs:

Staff executed 643 residential grant and loan agreements in FY 2009-10, produced through the efforts of four program staff and one administrative support staff.

By contrast, four years ago the program issued 414 such grant and loan agreements, with the same staff capacity as exists currently, with four program staff and one administrative support staff

Residential Lending staff determined the timelines below by sampling grant and loan agreements during the current fiscal year.

RESIDENTIAL LENDING AND REHABILITATION AGREEMENT PREPARATION TASK	Avg. Time Taken	Notes
Homeowner Application Intake	1 to 3 days	
Loan application underwriting	2 months avg.; range varies widely	Includes verification of income qualification, homeownership, insurance, and other factors. The time for this step varies substantially based on applicant information; can be as little as 3 weeks or as long as 5 months.
Escrow	2 to 4 weeks	
City signatures	1 to 3 days	Largely included within steps above
TOTAL AGREEMENT PREPARATION DURATION	Avg. 2.5 months; range 4 weeks to 5+ months	Chief variable is applicant submittal of required components and verification of qualifying conditions

C. DHS Grants

The following provides information on the types of grant funded contracts administered by the Department of Human Services.

DHS Programs	Number of Contracts	Number of Administering Staff
OFCY and Children Youth Services Division	129	2
Measure Y	40	1.6
Community Action Program	12	2
Community Housing Programs Division	45	4

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Head Start and Early Head Start	37	2
TOTAL	263	11.6

The following is the average timeline for contract administration post-Council award and is based upon a staff analysis of sampled contracts.

DHS AGREEMENT PREP TASK	Avg. Time Taken	Notes
Negotiate agreement terms with Grantees	1 to 2 weeks	Chief variables are grantee preparation and responsiveness.
Gather supporting documents	3 to 4 weeks	Includes Scope, Budget and Schedules. Longer times usually associated with insurance related document requirements.
Insurance proof		
Review and Signatures	1 to 2 months	Includes Contract Compliance and Risk Management reviews, City Attorney, Department Director approval, and City Administrator signatures.
Contract tiled with Clerk	1-2 days	
TOTAL AGREEMENT PREPARATION DURATION	6.1 to 15.2 weeks	Largest variables are timeliness and accuracy of grantee responses and complexity/duration of City review required.

As requested by the Committee, the following is a sample of the contracting task list for DHS and CEDA staff post Council award of the contract. The information provided below is a sample since the time it takes varies depending upon the type of contract, issues with the contractor, funding requirements, and other variables specific to the contract. In addition, the staff administering these tasks is working on other programs and services at the same time as administering the contracts. The information provided does not reflect the turn-around time for receiving information, documents, and other

essential elements in the overall contracting process. The timelines provided above are more representative of the actual time it takes for the contracting process to occur.

Area	Task	Time
Preliminary Grantee Communications and Information Needs	Pre-Contract Grantee Meeting Prep Time	4 hours
	Pre-Contract Meeting and Correspondence	2 hours
	Contracting and Technical Assistance Workshop (group)	2 hours
	Prepare Contract Tracking Database (particular to DHS grants)	3 hours
	Online database Trainings (particular to DHS grants)	2 hours each
Scope of Work, Budget Negotiations and Contract Document Preparation.	Grantee Document Preparation Technical Assistance	½ hour to several hours depending upon contractor
	Online database Technical Assistance (per agency) (particular to DHS grants)	½ hour
	Review online database Scope of Work and Demographics (particular to DHS grants)	½ hour

	Review online database Budget (particular to DHS grants)	½ hour
	Contract Negotiation Prep Time	½ hour to several hours depending upon type of contract (i.e. affordable housing loan contracts involve more time)
	Contract Negotiation	1 hour to several hours depending upon type of contract (i.e. affordable housing loan contracts involve more time)
	Print online database documents several hours depending upon type of contract (particular to DHS grants)	¼ hour
	Compile/collect contract schedules, review for completion, follow-up missing docs and file	1 hour to several hours
	Populate and maintain Contract Tracking Database (particular to DHS grants)	¼ hour
Contract Execution Steps	Route Contract to Risk Management	½ hour (information does not reflect time it takes for documents to be returned)

	Route contract to Contract Compliance	½ hour (information does not reflect time it takes for documents to be returned)
	Route contract to City Attorney	½ hour (information does not reflect time it takes for documents to be returned)
	Route contract to Program Manager	½ hour (information does not reflect time it takes for documents to be returned)
	Route contract to City Administrator	¼ hour (information does not reflect time it takes for documents to be returned)
	Route contract to City Clerk	¼ hour
Contract Encumbrance and Payment	Establish Vendor Number	½ hour
	Oracle Requisition Request.	½ hour (information does not reflect time it takes for Purchasing staff to approve.)
	Oracle Release Request	½ hour
	Fiscal Encumbrance and Invoice	½ hour
	Prepare check and invoice for delivery to vendor	¼ hour

II. PAYMENT TIMELINES

The City's purchasing ordinance requires that contractors receive payment within 20 days of receipt of an invoice.

In late 2010, the City's Department of Contracting and Purchasing and the Accounts Payable division of the Finance and Management Agency approved a change to the process of encumbering and releasing funds in certain circumstances. Prior to this change, all grant agreements had to be set up as individual Purchase Orders through the City's Procure-to-Payment (P2P) system. As of September 2010, grant funding agreements which would be released in their entirety in one payment could be processed as "Direct Payment requests," without the more time-involved Purchase Order Request, Purchase Order creation, and encumbrance release processes which are required of most other City contracts. This improvement significantly reduces the time it takes to pay contractors.

Information on the payment process and timelines for direct payments are provided above. Additional information on payment timelines involving the P2P system will be provided in a supplemental report.

SUSTAINABLE OPPORTUNITIES

Economic: A cohesive and expeditious city wide contracting process creates timely distributions of contracts to businesses doing business with the City of Oakland and more timely delivery of services to the City.

Environmental: There are no environmental issues or opportunities in this informational report.

Social Equity: An expeditious city wide contracting process results in more timely distributions of contracts to for profit and not for profit small and local businesses.

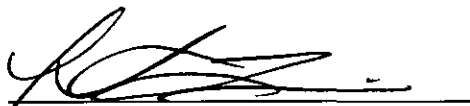
DISABILITY AND SENIOR CITIZEN ACCESS

There are no disability and senior citizen access issues in this informational report.

ACTION REQUESTED OF THE CITY COUNCIL

It is recommended that the Council accept this informational report.

Respectfully submitted,



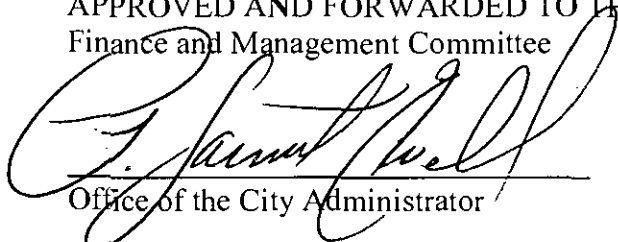
Margaretta Lin
Deputy City Administrator

Reviewed by:
Deborah Barnes
Director
Department of Contracting and Purchasing

James Bondi
Agenda Coordinator
Community & Economic Development Agency

Sandy Taylor
Children and Youth Services Manager
Department of Human Services

APPROVED AND FORWARDED TO THE
Finance and Management Committee



Office of the City Administrator

Attachments

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OFFICE OF THE CITY OF OAKLAND
AGENDA REPORT

2011 MAR 29 PM 5:08

TO: Office of the City Administrator
ATTN: Dan Lindheim, City Administrator
FROM: Deborah Barnes, Department of Contracting and Purchasing
DATE: April 12, 2011
RE: Informational Report From the Contract and Purchasing Department on Contracting Process and Timeline for Various Agencies

SUMMARY

The Committee requested an informational report regarding the contracting process and timeline for the Public Works Agency, Police Department, Fire Department, Attorney's office, Library, Community and Economic Development Agency, Department of Human Services, and City Administrator's Office.

FISCAL IMPACT

As this is an informational report, there are no known fiscal impacts at this time.

BACKGROUND

This informational report focuses on average time lines of the contracting process from various City departments. Staff recently presented a report detailing the process and timelines for construction contracts for the March 22, 2011 report to the Finance and Management Committee. Information was also presented regarding strategies and activities being implemented to significantly streamline and reduce the construction contracting process.

There is a basic baseline contracting process for informal bids, whereby three bids or solicitations are required, and the formal process whereby a public advertisement and an open competitive process is followed. The following provides a summary of the process with competitive bids.

Table 1: Timeline for Non-Construction Contracts

Phase 1 Preparation Needs for Work Order by Project Manager	1	Define good and/or service need and secure funding.
	2	Define funding requirements if different from City
	3	Identify appropriate method to buy good or service: a. Informal or b. Formal

	4	Decide: Request for Proposal or Notice Inviting Bids
	5	Prepare Specifications/Scope of Work
Phase 2 Once Work Order Submitted: Public Process	6	Advertise (2 to 3 weeks)
	7	Pre-Proposal Meeting (conducted 1 week after advertisements)
	8	Receipt and Review of Bids or Submittals (PM and DCP, 1-2 weeks)
Phase 3 Review and Contract Award	9	Evaluations, Interviews, Assessments, Compliance Analysis. (4-12 weeks)
	10	Council Action (6-8 weeks)
	11	Negotiations with Contractors (1-5 weeks)
	12	Contract Preparation, Insurance and Bonds, Execution and Distribution (up to 2 months)

KEY ISSUES AND IMPACTS

As requested by the Finance and Management Committee, the following is a snapshot of the contracting process and timeline for various City departments.

The Department of Contracting and Purchasing (DCP) administers the majority of purchases of goods and services that result in City contracts and includes the following types:

- ❖ Construction contracts over \$15,000
- ❖ Professional services contracts over \$15,000
- ❖ Contracts for goods and commodities over \$5,000

Grants and loans are administered by the program agency, such as CEDA or DHS. The Social Equity Division of DCP conducts compliance evaluations for Living Wage and Equal Benefits as well as non-compliance investigations.

Professional Services and Construction Contracts Administered by DCP: Process and Timeline

DCP works with using agencies to assist in satisfying their procurement and compliance needs. The average RFP time line noted above in Table 1 is approximately 145 days when considering a variety of influencing factors such as complexity of purchase, changes to the scope of work, and protests. Information about the contract process and timeline for construction contracts, including recent changes made to streamline and shorten the timeline, was recently provided to this Committee. See Attachment A. Current efforts by the inter-departmental committee on contracting and purchasing convened by the City Administrator's office will result in further reductions in the timeline.

Additional reductions in time may be realized by increasing the City Administrator's contract authority from the existing threshold of \$15,000 for Oakland Redevelopment Agency (ORA) contracts and \$100,000 for non-ORA contracts.

Contracts for Goods Administered by DCP's Purchasing Unit

DCP's purchasing division administers informal bids between \$5,000 to \$50,000, and formal bids over \$50,000 for goods and commodities. The process for informal bids is an estimated 20 days and for formal bids up to an estimated 60 days to reach an award. Awards requiring Council approval would take an additional 6 to 8 weeks. Tasks performed by Purchasing staff include converting requests submitted by using agencies into a biddable format to include specifics of the purchase (specifications). Purchasing will advertise a minimum of 10 days before bid opening and a bid recap is prepared in order to identify the lowest bidder. See Attachment B for the activities and timeline.

Grants and Loans

Grants and loans must follow a contracting process expressly stipulated by the awarding authority. Grants may include a community process and may also include the naming of grant partnerships that contribute to the actual grant award.

The majority of the City's grants and loans, including to nonprofit organizations, are administered by the Community & Economic Development Agency (CEDA) and the Department of Human Services (DHS). DCP/Social Equity conducts compliance and non-compliance investigations for Living Wage and equal benefits.

CEDA Grants and Loans

All CEDA contracts which require a formal RFQ/RFP process are typically worked on with DCP assistance. The timeline associated with administering different CEDA grants and loans varies and is dependent on whether special requirements are attached, such as from the funding source. Below is a snapshot.

Grant programs with pre-authorization from Council (mostly Façade/Tenant Improvement Program grants): 3-5 months

1. Concept/owner application/bids: Avg. 2 months
2. Contract preparation and execution: 1-3 months

Community Development Block Grants: 15 months

1. Public competitive process including local CDBG boards: 7 months
2. Council report preparation and approval: 2 months
3. Contract development and approval: 6 months. Note that this step is long due to the delay in the release of HUD funds following Council action, and mandatory orientation training for contractors (in addition to the usual City contracting processes).

Cultural Arts Program grants: 11 months

1. Public competitive process including Cultural Arts Commission: 6 months
2. Council report preparation and approval: 2 months
3. Contract development and execution: 3 months

Housing Funding Agreement: 8-10 months

1. NOFA process: 5 months.
2. Council report preparation and approval: 2 months
3. Letters of commitment—immediate
4. Final loan agreement execution: 1 to 3 months; varies widely depending on complexity of the transaction and negotiations, also upon developers attainment of other financing.

Professional Services contracts less than \$15K, no separate Council approval required: 3-4 months

1. Informal bid/selection process: 1.5-2 months.
2. Contract preparation and execution: 1-2 months.

ORA-funded Professional Services contracts greater than \$15K, Council approval required: 5-6 months

1. Informal selection process: 1-2 months
2. Council report preparation and approval: 2 months
3. Contract development and execution: 2 months.

Loans to first-time homebuyers: 2-2.5 months

1. Intake/Underwriting: 3 days
2. Close: 45-60 days after the buyer enters into contract.
3. In-house review: 5 days (if all documents are complete)
4. Check through AP: 5 days
5. Wire transfer: 7 days

Rehabilitation Programs: 2-3 months

1. Intake/Underwriting: 10-14 days
2. Project Design: 30-45 days
3. Bid Process: 15 days
4. Escrow Closing: 10-14 days

Emergency Home Repair Program: 1 month

1. Intake/Underwriting: 10-14 days
2. Loan Approval/Escrow Closing: 10-14 days

DHS Grants

DHS administers contracts for a number of different grants, including the Oakland Fund for Children and Youth (OFCY), Measure Y, Head Start, and other programs. The general process is the following:

- DHS issues an RFP based on strategic plan or City priorities. Receive responses to RFP and then they are ranked by review panels. Recommendations are determined. Notifications and Appeals occur.
- OFCY recommendations go to the POC for approval. Review by POC: OFCY Review and Selection Committee requires 4 *noticed* public meetings (mid Feb through March). For Measure Y, the Measure Y Oversight Committee reviews. For the CAP- recommendations go to the CAP Administering Board for approval.

- Recommendations for grantee contractors go forward to Council Committees (Life Enrichment or Public Safety) and then onto full Council.
- An example of the timeline would be as follows: RFP is issued in November and is due in January. Review and Appeals by mid-March. POC Recommendation and Appeal Process (April 1 to May 5) (*three noticed public meetings*). Council report drafted by April for presentation in May. In total, a six-month process from inception to approval.
- Scopes of work are negotiated. Grantees begin completing their forms. (Some are required with the RFP and the rest are submitted afterwards.) We are dependant on grantees to submit forms in order to complete the contracting process.
- Contracts are forwarded to City Attorney for a 2-3 week turnaround (depending on amount of contracts to be reviewed could take even longer), also need Risk Management and City Administrator's approval which can add another 2 weeks.
- For most programs with the exception of OFCY, the timeline is approximately 7-8 months in total.
- Below is a table which portrays OFCY's timeline. Their timeline is about 9 months total from inception to completion due to the required noticed public meetings.

OFCY Grants Timeline

OFCY Request for Proposal & Review Process	
RFP released (mid nov)	
Proposals due (mid jan)	8 weeks
Review: Proposals are read and scored by external reviewers and staff (mid to late Feb)	4 weeks
Review by POC: OFCY Review and Selection Committee requires 4 <i>noticed public meetings</i> (mid Feb through March)	6 weeks
POC Recommendation and Appeal Process (April 1 to May 5) (<i>three noticed public meetings</i>)	4 weeks
LEC agenda report prepared and submitted	4 weeks

by and approved by June 15; resolution	
	26 weeks
Contracting Process	
Negotiation and approval of scope of work by June 30	
Organizations submit required forms and insurance; policy targets 100% by Oct. 1	(30 days to 4 months) Submitted June to October.
From document submission, Grant Compliance Review	1 week
City Attorney Review	(2 weeks to 3 weeks)
DHS 2 nd Review	(1 week)
City Administrator Review	(1 to 2 weeks)
	9 or more weeks

Public Works Agency (PWA)

The PWA administers contracts under \$15,000 for construction and professional services and under \$5,000 for goods and commodities.

The timeline for goods and commodities is as follow:

- ❖ Obtain 3 bids: 2 - 4 weeks
- ❖ Create the Requisition: 15 min.
- ❖ Approval the requisition and create Standard Purchase Order approval: 1 -2 days.

Fire Department

The Fire Department executes a small number of contracts each year. For those that are below the threshold requiring Council approval, the process is relatively short and straight-forward.

Less than \$15,000 without Formal RFP/RFQ Process

When initiating a contract for an amount that is less than \$15,000, the following steps are followed:

1. OFD staff spends 1-2 days preparing the contract template and associated schedules.
2. The contractor spends 15-60 days completing the schedules.

3. OFD spends 1-5 days reviewing the contractor's schedules and submits to the City Attorney's office, if all documents are in order. If they are not in order, OFD staff communicates with the contractor to request additional information.
4. OFD staff reviews insurance information provided and if necessary, requests insurance waiver. This process takes 1-5 days to complete.
5. The City Attorney's office spends 1-5 days reviewing the contract and schedules, if it is a routine contract. If the contract is not routine, it can take the City Attorney's office significantly more time to analyze and decide what needs to be done in order to move forward with a particular vendor or for a particular type of agreement.
6. After the City Attorney's office sign-off, the City Administrator's office spends 1-10 days reviewing the contract and schedules before sign-off.

Library

For professional services contracts under \$15,000, bids are handled by Library staff and approved by DCP. These contracts that do not require Council action take from 7 to 30 days. The ones that require Council action take an additional 45 to 60 days.

Police Department

When initiating a contract for an amount that is less than \$15,000, the following steps are followed:

1. OPD spends 1-2 days preparing the contract template and associated schedules.
2. The contractor spends 5 - 15 days completing the schedules.
3. OPD spends 1- 5 days reviewing the contractor's schedules and submits to the Office of Chief of Police for forwarding to the City Attorney's office and City Administrator's office for review and signature, if all documents are in order.
4. The City Attorney's office spends 5 -10 days reviewing the contract and schedules, if it is a routine contract. If the contract is not routine, it can take the City Attorney's office significantly more time to analyze and decide what needs to be done in order to move forward with a particular vendor or for a particular type of agreement.
5. After the City Attorney's office sign-off, the City Administrator's office spends 5-10 days reviewing the contract and schedules before sign-off.

City Administrator's Office

The bulk of contracts are handled by DCP. For the American Sign Language contracts administered by the ADA Division, it takes about 6 weeks from the RFP to notice to proceed issuance.

SUSTAINABLE OPPORTUNITIES

Economic: A cohesive and expeditious city wide contracting process creates timely distributions of contracts to businesses doing business with the City of Oakland and more timely delivery of services to the City.

Environmental: There are no environmental issues or opportunities in this informational report.

Social Equity: An expeditious city wide contracting process results in more timely distributions of contracts to for profit and not for profit small and local businesses.

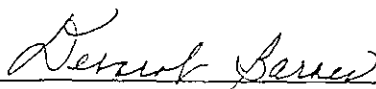
DISABILITY AND SENIOR CITIZEN ACCESS

There are no disability and senior citizen access issues in this informational report.

ACTION REQUESTED OF THE CITY COUNCIL

It is recommended that the Council accept this informational report.

Respectfully submitted,



Deborah Barnes

Director

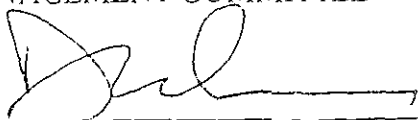
Department of Contracting & Purchasing

Reviewed by:

Margaretta Lin

Deputy City Administrator

FORWARDED TO THE FINANCE AND
MANAGEMENT COMMITTEE



Office of the City Administrator

Item: 4
Finance and Management
April 12, 2011

CITY OF OAKLAND

AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2011 MAR 10 PM 5:30

TO: Office of the City Administrator
 ATTN: Dan Lindheim
 FROM: Department of Contracting and Purchasing
 DATE: March 8, 2011
 RE: A Joint Informational Report on the City's Contracting Process for Public Works Projects Including Timelines Compared to Other Entities and Contributing Factors Such as Staffing.

SUMMARY

The contracting process for the Public Works Agency covers the purchase of goods and services. Goods include commodities, supplies and unit priced items. Services include professional/non-professional and construction. This report focuses on the category of construction services only.

Staff will return to this committee at a later date with an outline and efficiencies for the professional services contracting process. Because construction is the most complicated and involved process this information helps to lay the foundation for discussion purposes.

The existing contracting process takes an average of 272 calendar days, depending upon a variety of influencing factors that may include but not limited to staffing, turnaround time of documents, protests, and re-bids.

The proposed process is expected to reduce the existing turn around time by 104 days. The reductions will be realized by parallel processes, early initiation of council reporting, and moving to the next lowest bidder if a contractor or consultant fails to respond in the 20 days allotted.

Attachment II provides the flow chart of the revised or "Proposed" contracting process and includes improvements from the issuance of a work order to issuance of a Notice to Proceed (NTP), which formally directs the contractor to commence work.

Attachment III includes the existing and proposed timelines and provides a very graphic picture of an improved proposed timeline.

It is estimated that some 40 days could be saved if the City Council delegated authority to award contracts under \$1,000,000, where funds have been previously approved by City Council, to the City Administrator or Director of Public Works as is done in San Francisco, San Jose, Los Angeles, Long Beach and San Diego.

Recently, the Public Works Agency celebrated re-accreditation. Contract Administration Division of the Department of Contracting and Purchasing played a significant role by providing details of the contracting processes. The process was approved as valid and specific to the requirements as outlined by the accreditation entity.

4
FINANCE & MANAGEMENT CMTE.

MAY 09 2011

Item ~~13~~
Finance & Management
March 8, 2011

FISCAL IMPACT

Staffing is at a critical shortfall in the Contract Administration unit of the Department of Contracting and Purchasing. When this unit functioned under the Public Works Agency, it was considered understaffed at five full time employees (FTEs) who served PWA only. Current staffing includes two full time employees and one part-time employee. We are in the process of filling one and one half vacancies.

In addition to this staff shortage, it is important to note that over the last year, two full time employees and one part time employee took time off under a doctor's care for 6-8 weeks at different intervals for various personal reasons. This sequence of events created an extreme backlog for the Public Works Agency. This last year was indeed most negatively impact with the largest lag times in the history of the unit. Now the unit is working to regain efficiencies.

With assistance from using agencies, in particular the Public Works Agency, the unit has been able to move forward and within the next three months should be staffed back to the post budget level of two and one half administrative Analysts II, a part time office Assistant II and a Service Supervisor.

In order to function at 95% efficiency, at least one additional Administrative Analyst II (recruited as a Contract Specialist) must be hired. In addition, the part time Administrative Analysts II and the Office Assistant II must be brought back up to full time. These actions will bring the unit back up to 90% capacity.

The costs for one additional Administrative Analyst II /Contract Specialist and bringing the part time Office Assistant II and Administrative Analyst II back up to full time hours will cost approximately \$192,623.00 (salaries plus fringe):

<u>Part Time to Full Time</u>		
1	Administrative Analyst II	\$ 51,475.00
2	Office Assistant II	\$ 29,620.00
<u>One Additional Full time</u>		
3	Administrative Analyst II	\$ 111,528.00
		\$ 192,623.00

BACKGROUND

Several localities, including San Francisco, Los Angeles, San Jose and Alameda County were contacted to glean turnaround times for their contracting processes from the point of preparing

and completing plans and specifications to NTP. On average, the turnaround times ranged from 120 to 280 days when including protests and re-bids.

When the contracting process occurs smoothly with zero errors or events, the turnaround time averaged approximately 150 to 160 days. A number of influencing factors contribute to the variance in turnaround times. For example, contracting processes are influenced by staffing patterns, authority levels, and approval procedures, including council approval.

The City of Oakland has the lowest City Administrator threshold than other comparable cities. In addition, other localities recruit for contract specialist as opposed to a citywide classification such as Administrative Analyst.

In measuring the City of Oakland's processes and expected outcomes, the improved process will reduce turnaround time by 104 days.

KEY ISSUES AND IMPACTS

The existing process found as Attachment I can be improved significantly by introducing parallel processes, earlier document implementation and cut off points for non-responsive contractors. Coupled with full staffing, the process will run shorter.

Attachment II shows the Proposed Contract Bid and Award Process for Construction projects. Key points of the proposed flow chart include the following changes:

- (Step 1) - Submit complete bid package with work order.
- The work order initiates work and is submitted by the using agency. Heretofore, work orders and bid packages were submitted at various degrees of completion. Under the new process, complete packages will be submitted. Incomplete packages will be returned with the work order.
- (Steps 2 and 3) Contract Administration will assign staff, review documents, set and hold initial conference with all parties. This will occur between 10-15 days given current workload. The target is 10 days.
- (Steps 4 & 6) Include reproducing documents and preparing the legal advertisement.
- (Steps 5 and 7-9) Include preparation of the legal advertisement and placing that advertisement in the paper of record. Time allotting for accepting bids will range from 2 to 4 weeks depending upon the complexity of the project. For example, routine work will have a two-week turnaround time and more complex projects including the mandates of Disadvantaged Business Enterprise Program requirements (DBE) carry a 3 to 4 week period.
- Steps 12-21 will take place several weeks sooner and sign off on the agenda report will take place as a parallel process. An additional 40 days could be saved if the City Council delegated authority to award contracts under \$1,000,000 to the City Administrator or Agency Director. Many City Councils, including San Francisco, San Jose, Los Angeles, Long Beach and San Diego, have recognized that projects are already approved by the City Council through the budget process, grant approval, or other legislative action. Award of the construction contract to a contractor is an administrative function, which can be delegated to an Agency Director.

- Step 22 - A work order-mail notification to initiate the contract award process after approval by the Public Works Committee. It is at that time that the award has been accepted or denied. If accepted, the contract document can be prepared.
- Steps 24 and 25 are significant. Contracts must be returned within 10 days. If documents are not returned, the Agency may choose to move to the next lowest bidder. Staff will request permission to drop to the next most responsive and responsible bidder.

Given the changes in various steps as noted above, DCP and PWA staff will continue to review the process on an ongoing basis to identify efficiencies and improvements.

SUSTAINABLE OPPORTUNITIES

Economic: Local and Small Local contractors will realize a shorter turnaround time for receiving contracts and receiving a notice to proceed.

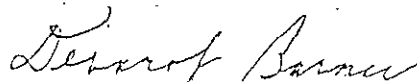
Environmental: N/A

Social Equity: increased use of local businesses.


ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution adopting the attached LCP.

Respectfully submitted,



Deborah Barnes, Director
Department of Contracting and Purchasing



Vitaly B. Troyan, P.E., Director
Public Works Agency

FORWARD TO THE
FINANCE AND MANAGEMENT COMMITTEE:



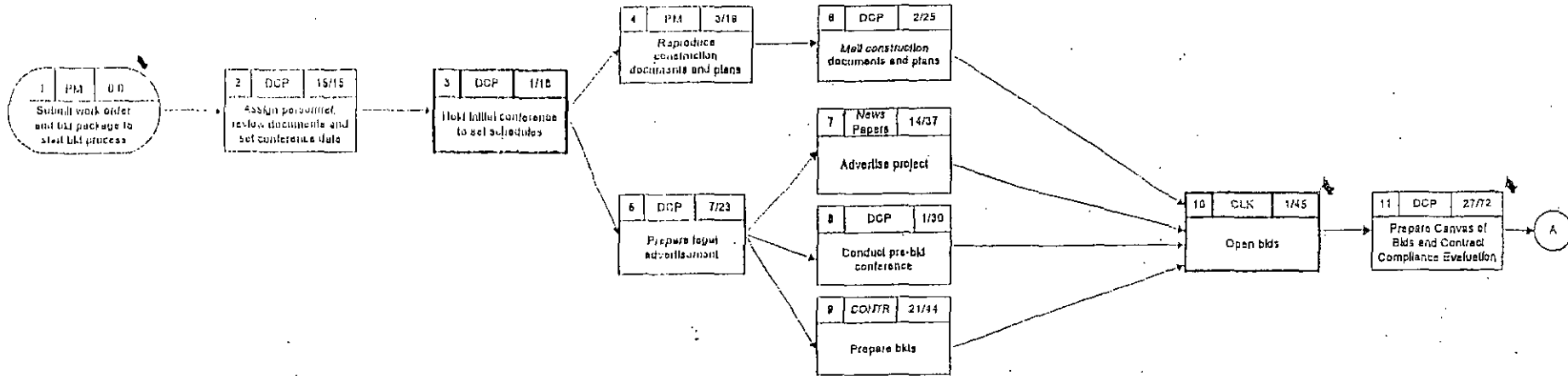
Office of the City Administrator

~~Item~~
~~Finance & Management~~
March 8, 2011

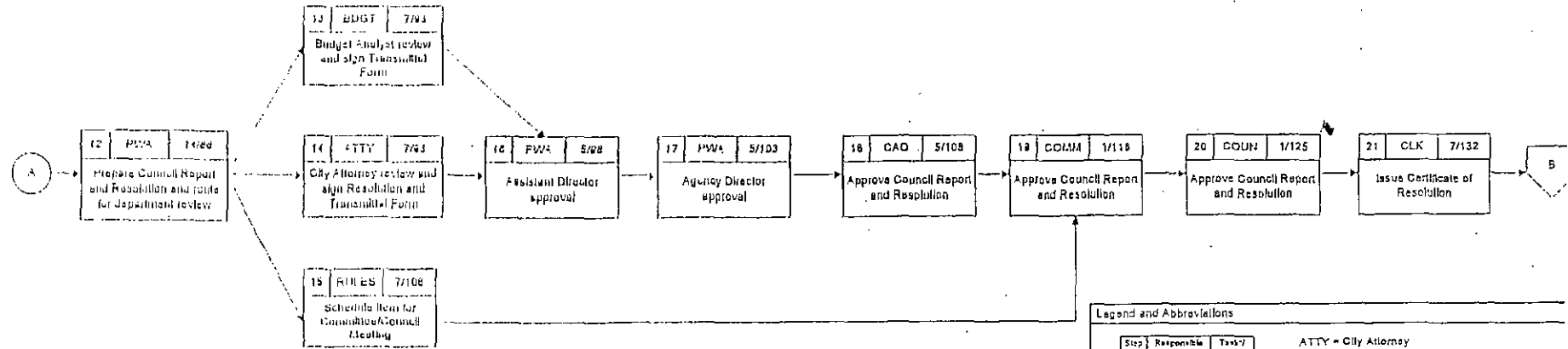
ATTACHMENT 1

Existing Contract Bid and Award Process for Construction Projects

Advertisement and Bid (77 days)



Council Resolution (60 days)



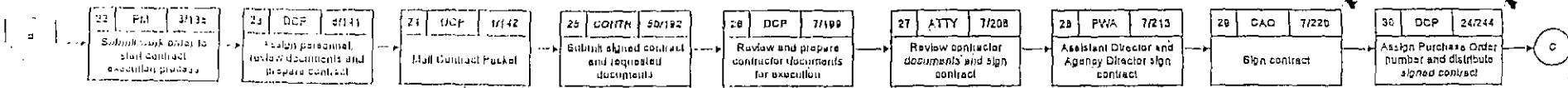
Legend and Abbreviations

Step #	Responsible Party	Task/Cont.
Description of Task		
*Task Duration and Cumulative Duration are measured in calendar days		
▲ Data is included in PTA		

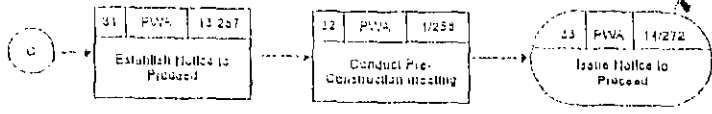
ATTY = City Attorney
 BDGT = Budget Office
 DCP = Department of Contracting and Purchasing
 CAO = City Administrator
 CLK = City Clerk
 COMM = Council Committee
 CONTR = Contractor
 COUN = City Council
 PM = Project Manager
 PWA = Public Works Agency

Existing Contract Bid and Award Process for Construction Projects

Contract Award (12 days)



Notice to Proceed (21 days)



Legend and Abbreviations

Step #	Responsible Party	Task/Activity
22	PM	3/13: Submit task order to start contract execution process
23	DCP	5/11: Assign personnel, review documents and prepare contract
24	DCP	1/142: Mail Contract Packet
25	CONTR	5/192: Submit signed contract and requested documents
26	DCP	7/199: Review and prepare contractor documents for execution
27	ATTY	7/208: Review contractor documents and sign contract
28	PWA	7/213: Assistant Director and Agency Director sign contract
28	CAO	7/220: Sign contract
29	DCP	24/244: Assign Purchase Order number and distribute signed contract
31	PWA	12 267: Establish Notice to Proceed
32	PWA	1/259: Conduct Pre-Construction meeting
33	PWA	14/272: Issue Notice to Proceed

ATTY = City Attorney
 BOST = Budget Office
 DCP = Department of Contracting and Purchasing
 CAO = City Administrator
 CLK = City Clerk
 COMM = Council Committee
 CONTR = Contractor
 CDUN = City Council
 PM = Project Manager
 PWA = Public Works Agency

*Task Duration and Completion Dates are measured in calendar days.
 *Date is listed in PTA.

Existing Contract Bid and Award Process for Construction Projects

1. **PM** - Submit work order and bid package to start bid process

The Project Manager completes the Department of Contracting and Purchasing (DCP) work order to start the bid process. The work order form is submitted to DCP along with the City Administrator Check List, memorandum approving for bids from the Assistant Director, Oracle funding information, Ready to Advertise Checklist, project plans, specifications, and engineering estimate.

2. **DCP** - Assign personnel, review documents and set conference date

The Front Desk personnel at Department of Contracting and Purchasing (DCP) log the work order into the DCP database and forward the project to the Supervisor for assignment. The Analyst and Compliance Officer review the documents, and contact Project Manager with a meeting date and time for initial conference.

3. **DCP** - Hold initial conference to set schedules

The Analyst, Compliance Officer and Project Manager meet to schedule dates for advertising bids, conducting pre-bid conference, opening bids, preparing Canvas of Bids, preparing Contract Compliance Evaluation and preparing Council Report and Resolution.

4. **PM** - Reproduce construction documents and plans

The Project Manager updates the construction documents and plans with the Analyst and Compliance Officer names and contact numbers, pre-bid conference information, and bid opening information. The Project Manager sends the construction documents and plans for reproduction and provides the copies to the Analyst prior to the start of the advertising period.

5. **DCP** - Prepare legal advertisement

The Analyst prepares the legal advertisement, routes to the Supervisor and DCP Director for approval and sends to advertising agencies for advertisement. Typically, the City advertises on the Oakland Tribune, San Francisco Chronicle and the Post, but the Project Manager could add other local newspapers as well.

6. **DCP** - Mail construction documents and plans

The Analyst mails the project "green card" to the list of contractors on the Builders Exchange. The "green card" is a summary of the project printed on half sheet green card stock. It lists the pre-bid meeting and bid opening dates, times and locations as well as the project contact names and phone numbers.

7. **Newspapers** - Advertise project

The advertisement is due to the advertising agencies on different days, and each agency runs the project for one week duration. For complex projects, the advertisement duration can be extended.

Existing Contract Bid and Award Process for Construction Projects

8. DCP - Conduct pre-bid conference

DCP schedules the pre-bid conference (the pre-bid conference is only held on Tuesdays and Wednesdays). The conference occurs between the advertisement date and bid due date. For some projects, this conference may be mandatory or highly recommended. It provides an opportunity for potential bidders to ask technical questions and questions regarding City policy. The Analyst, Compliance Officer and Project Manager meet with interested Contractors.

9. Contractor - Prepare bids

The Contractors prepare their bids.

10. City Clerk - Open bids

Bid opening is only scheduled on Thursdays. The City Clerk receives and opens the bids and the Analyst records the bid results.

11. DCP - Prepare Canvas of Bids and Contract Compliance Evaluation

The Analyst prepares the Canvas of Bids and a summary of required documents (i.e. Schedule O, Schedule R, Schedule K, Bid Security, and acknowledge and sign off of receipt of Addenda). The Compliance Officer completes the Contract Compliance Evaluation to reflect local/small local business participation levels and bid discounts. A letter summarizing the Canvas of Bids and Contract Compliance Evaluation is provided to the Project Manager.

12. PWA - Prepare Council Report and Resolution and route for department review

To obtain Council approval to award the contract to the lowest responsible bidder, the Project Manager prepares an 'Agenda Report', which consists of an Internal Agenda Report Routing Form, Agenda Item Transmittal Form, Memorandum to Rules & Legislation Committee, Council Report and Resolution. The preparation of an Agenda Report requires the coordination of many City Departments and Agencies, the City Administrator and the City Clerk's Office.

Upon completing a draft Agenda Report, the Project Manager routes it first to his/her Supervisor, then on to the Division Manager and Assistant Director for review and comments. Once the comments are incorporated, the Project Manager/Supervisor: 1) routes a copy of the documents to the Budget Office for review and feedback; 2) emails the draft Agenda Report to the Assistant Director's Administrative Assistant; and 3) forwards the Memorandum to Rules & Legislation Committee to the PWA Agenda Coordinator. The Assistant Director's Administrative Assistant is tasked to route the draft Agenda Report to the City Attorney for legal review. The PWA Agenda Coordinator facilitates the scheduling of the agenda item at the next Rules Committee Meeting.

13. Budget Office - Budget Analyst review and sign Transmittal Form

The Budget Analyst reviews the Council Report and Resolution and informs the Project Manager of any fiscal concerns. Upon satisfactory review, the Budget Analyst signs and returns the accompanying Agenda Item Transmittal Form.

Existing Contract Bid and Award Process for Construction Projects

14. Office of the City Attorney - City Attorney review and sign Resolution and Transmittal Form

The City Attorney reviews the Council Report and Resolution and informs the Project Manager any legal concerns. The City Attorney also reviews the form and format of the Agenda Report title to ensure it complies with the State's "Brown Act". Upon satisfactory review, the City Attorney signs and returns the Resolution and the accompanying Agenda Item Transmittal Form.

15. RULES - Schedule item for Committee/Council Meeting

Rules Committee formally schedules the item for the appropriate Committee Meeting. In certain cases, the Project Manager may request to schedule the item directly to Council and bypass the Committee. The Project Manager and Supervisor attend the Rules Committee Meeting to respond to questions.

16. PWA - Assistant Director approval

The Budget and Legal-approved Agenda Report is routed to the Assistant Director (2nd review) via the PWA Agenda Coordinator for review, edits and approval. The Assistant Director signs the Agenda Item Transmittal Form prior to forwarding to the Agency Director.

17. PWA - Agency Director approval

The Agency Director signs the Agenda Report and the accompanying Agenda Item Transmittal Form prior to forwarding to the City Administrator's Office.

18. CAO - Approve Council Report and Resolution

The City Administrator's Office reviews the Agenda Report and provides edits and comments to the Project Manager through the PWA Agenda Coordinator. Revisions to the report are due back to the City Administrator's Office within 24-hours. Upon satisfactory review, the City Administrator signs the Agenda Report and forwards the Council Report and Resolution to the City Clerk's Office for publication. To allow time for review by the public and meeting participants, the Agenda Report and its supporting materials are produced and made available to the public ten (10) days before the item's Committee meeting date.

19. Council Committee - Approve Council Report and Resolution

The PWA Division Manager, Supervisor and Project Manager attend the Council Committee to respond to questions. The Council Committee approves the Council Report and Resolution.

20. City Council - Approve Council Report and Resolution

The PWA Division Manager and Supervisor attend the City Council Meeting to respond to questions. The City Council approves the Council Report and passes the Resolution.

21. City Clerk - issue Certificate of Resolution

The City Clerk assigns a Resolution Number and issues the Certificate of Resolution.

Existing Contract Bid and Award Process for Construction Projects

22. PM - Submit work order to start contract execution process

The Project Manager completes the Department of Contracting and Purchasing (DCP) work order to start the contract execution process. The work order form is submitted to DCP along with the Contract Summary to the City Administrator, Schedule T and a copy of the Resolution. The Project Manager also informs Project Delivery that the contract execution process has started so that Project Delivery can assign a Resident Engineer to the project.

23. DCP - Assign personnel, review documents and prepare contract

The Front Desk personnel log the work order into the database and forwards to the Supervisor for assignment to the Analyst. The Analyst (1) reviews the documents for language consistency and prepares contract documents using published details in bid documents and Resolution, (2) prepares Performance and Payment Bonds on the City's required form, (3) includes Schedule Q in Contract Packet, (4) includes W-9 form in Contract Packet, (5) requests Contractor's License and Tax License (5) requests any other required documents not submitted during time of bid, and (7) prepares cover letter to contractor outlining contents of packet and instructions.

24. DCP - Mail Contract Packet

The Analyst distributes the Contract Packet to the Contractor with 20 calendar day turnaround time.

25. Contractor - Submit signed contract and requested documents

The Contractor submits bonds, insurance, signed contract and all documents noted in Step 23 above to Department of Contracting and Purchasing (DCP).

26. DCP - Review and prepare contractor documents for execution

The Analyst reviews the Contract Packet for completeness and prepares it for sign off by City Attorney, Public Works Agency (PWA) Assistant Director, PWA Agency Director and City Administrator.

27. Office of the City Attorney - Review contractor documents and sign contract

The City Attorney reviews the Contract documents as to form and legality, signs the contract and then returns to Department of Contracting and Purchasing (DCP) to forward to Public Works Agency (PWA).

28. PWA - Assistant Director and Agency Director sign contract

The Assistant Director and Agency Director review and sign the contract and then forward to the City Administrator.

29. CAO - Sign contract

The City Administrator signs the contract (finalizing contract execution) and then returns it to Department of Contracting and Purchasing (DCP).

Existing Contract Bid and Award Process for Construction Projects

30. DCP - Assign Purchase Order number and distribute signed contract

The Analyst processes the signed contract, assigns a Purchase Order number and distributes the original signed contract to (1) City Clerk, (2) Contractor, and (3) Accounts Payable. Contract copies are distributed to (1) Project Manager, (2) Resident Engineer, (3) Contract Administration, and (4) Social Equity.

31. PWA - Establish Notice to Proceed

The Project Manager sends a request with a copy of the signed contract to Project Delivery to issue Notice to Proceed. The Resident Engineer coordinates with the Contractor and Project Manager (and other agencies or involved parties, if necessary) to set up the Pre-Construction Meeting.

32. PWA - Conduct Pre-Construction meeting

The Resident Engineer, Contractor and Project Manager (and other agencies or involved parties, if necessary) meet to discuss construction details and concerns. A date for Notice to Proceed (NTP) is also determined during this meeting.

33. PWA - Issue Notice to Proceed

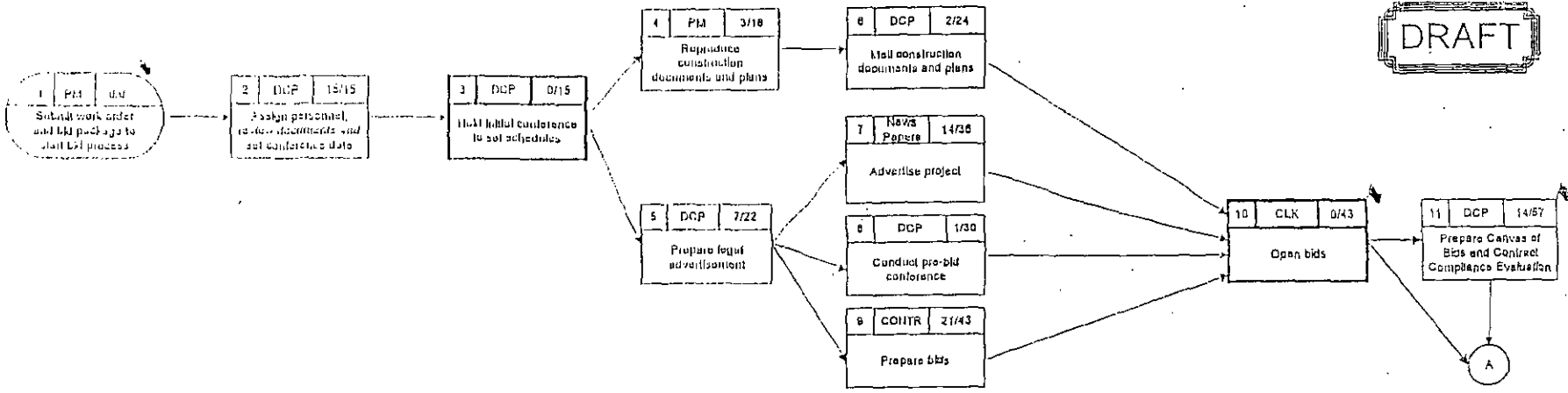
The Resident Engineer prepares the Notice to Proceed (NTP) for Assistant Director's signature. The Assistant Director issues the NTP.

ATTACHMENT II

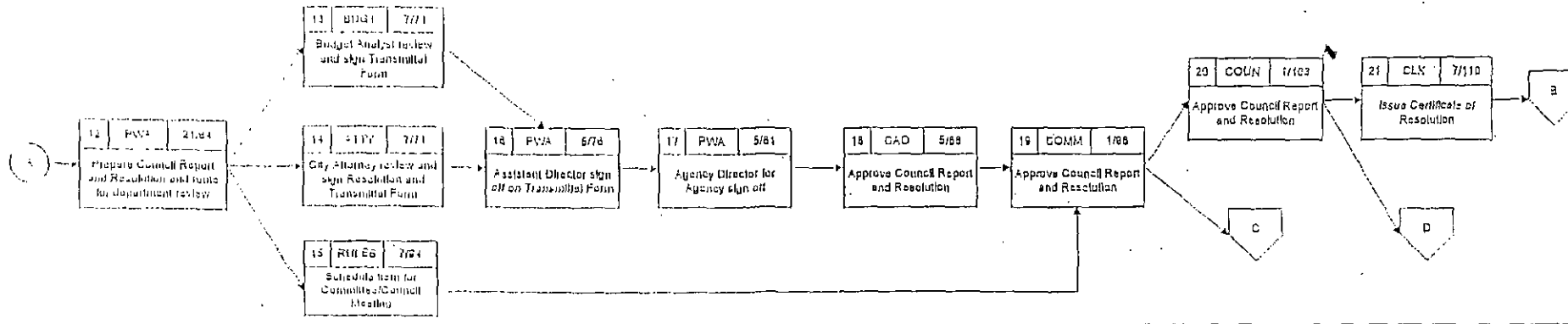
Proposed Contract Bid and Award Process for Construction Projects

ADVERTISE BIDDING DAYS (57 DAYS)

DRAFT



Council Resolution (57 DAYS)



Legend and Abbreviations

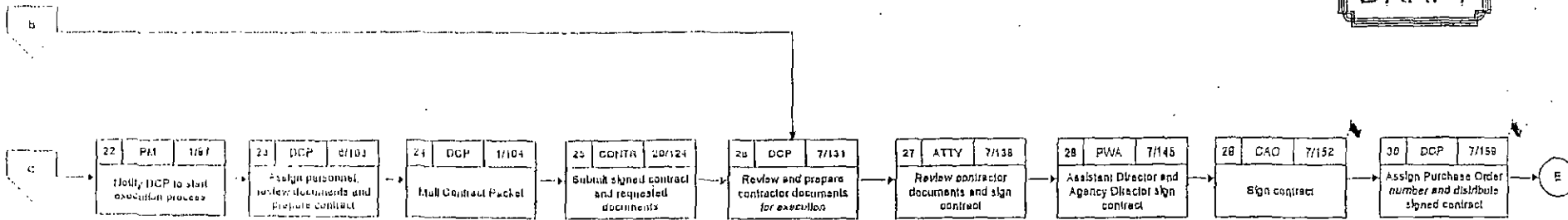
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Description of Task		
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▲ Date is tracked by PTA		

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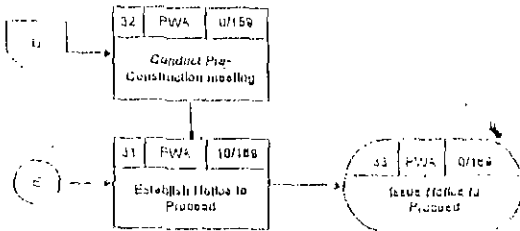
Proposed Contract Bid and Award Process for Construction Projects

DRAFT

Contract Execution (50 days)



Notice to Proceed (55 days)

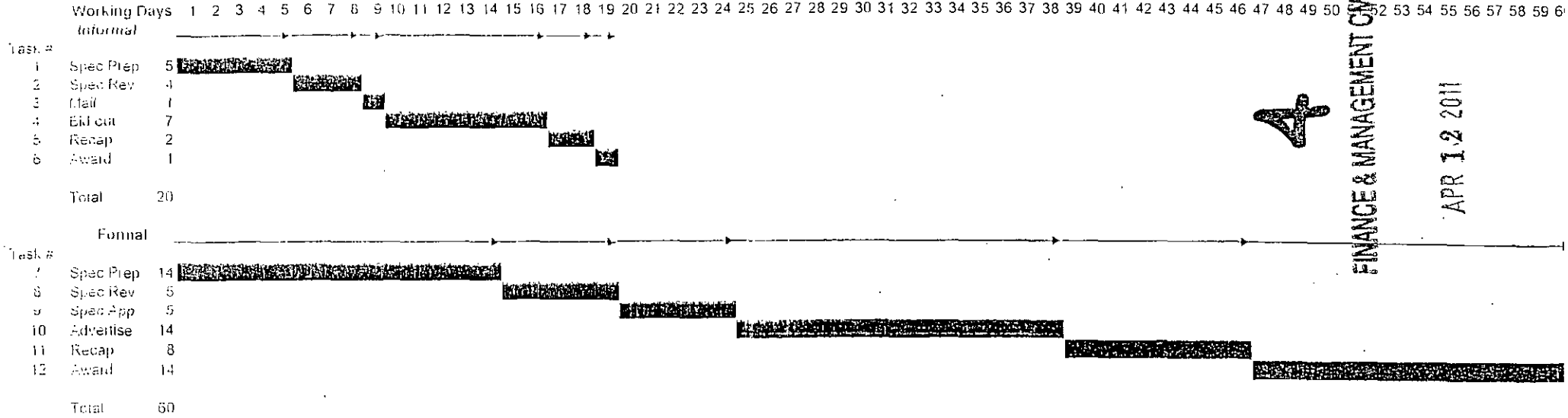


Legend and Abbreviations

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Description of Task		
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▲ Date is listed in PTA		

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DEPARTMENT OF CONTRACTING AND PURCHASING
PURCHASING OPERATIONS
TYPICAL TIMELINE



Task Description

- 1 - Convert department's request into biddable format, make sure requirements meet all Council goals and directives, and seek local participation.
 - 2 - Get department sign-off on proposed specification.
 - 3 - The minimum time calculated could be longer for non-local vendors.
 - 4 - One week is the average time required to receive adequate bids.
 - 5 - Evaluate bids for lowest responsible bidder.
 - 6 - Document award prepare and issue Purchase Order.
-
- 7 - Convert department's request into biddable format, make sure requirements meet all Council goals and directives.
 - 8 - Department review specifications, if specifications meets department's expectations department signs off.
 - 9 - Specifications are approved, duplicated and mailed to vendors for a bid.
 - 10 - Requirements for specifications are faxed to the Oakland Tribune for advertisement, a minimum of 10 days before bid opening date.
 - 11 - Bids are received and a bid recap is prepared to evaluate the lowest bidder.
 - 12 - An award package is prepare for City Council's approval for the lowest bidder

DEPARTMENT OF CONTRACTING AND PURCHASING
 CONTRACT ADMINISTRATION
 EXECUTED CONTRACTS

Attachment C

Requisition		Sourcing				Contract	
Project Name	Submitted Date	Open Date	Closed Date	Working Days to Bid Opening	Execution Date	Working Days to Contract	Total Working Days
Rehabilitation of Sanitary Sewers in the Easement of Knowland Park	8-Feb-10	24-Aug-10	16-Sep-10	15	11-Mar-11	31	46
Fruitvale Avenue to High Street, Oakland Waterfront Trail	30-Jun-10	9-Aug-10	19-Aug-10	54	23-Feb-11	46	100
Hardy Park Restroom Project	5-Aug-10	2-Sep-10	16-Sep-10	27	14-Jan-11	44	71
Blight and Fiscal Services for Redevelopment Plan Amendments for Central District and Broadway/MacArthur/San Pablo Redevelopment Project Areas	15-Jul-10	25-Aug-10	2-Sep-10	25	9-Dec-10	2	27
Preparation of Environmental Impact Reports for the Proposed Amendments to the Central District and Broadway/MacArthur/San Pablo Redevelopment Project Area Plans	15-Jul-10	25-Aug-10	3-Sep-10	36	3-Feb-11	36	72
25th Street Mini Park Improvements	28-Jul-10	17-Aug-10	16-Sep-10	33	26-Apr-11	79	112
On-Call Capital Improvements Construction Services	4-Oct-10	15-Oct-10	25-Oct-10	15	18-Feb-11	21	36
As Needed Civil Engineering Services for the Oakland Army Base Redevelopment	23-Jun-10	29-Jun-10	21-Jul-10	19	31-Aug-10	12	31
Engineering Services for Preparation of a Legal Description for the	15-Jul-10	27-Aug-10	17-Sep-10	43	14-Jan-11	22	65
Voting Outreach and Education Campaign	19-May-10	28-May-10	18-Jun-10	22	18-Aug-11	14	36

DEPARTMENT OF CONTRACTING AND PURCHASING
 CONTRACT ADMINISTRATION
 Projects Pending Execution

Attachment C

Project Name	Closing Date
RFP for Property Management and Maintenance Services	4/27/2011 14:00
NIB (P233285) E. 18th Street Improvements Project	4/28/2011 14:00
(NIB) P233282 Foothill Blvd Streetscape Improvement Phase I	4/28/2011 14:00
RFP Real Time Closed Captioning Services	5/13/2011 14:00
RFP FOR MLK JR. WAY & PERALTA STREETScape DESIGN	4/30/2010 14:00
RFP FOR AS-NEEDED ECONOMIC CONSULTANT SERVICES	5/21/2010 14:00
CITYWIDE STREET RESURFACING AND SEALING	8/12/2010 14:00
RFP FOR A STRATEGIC PLAN FOR THE CITY OF OAKLAND'S WORKFORCE INVESTMENT BOARD	1/3/2011 14:00
(NIB) CIP 2008-2009 TRAFFIC SIGNAL INSTALLATION	1/13/2011 14:00
(NIB) C377710 Morcom Rose Garden Improvements	1/13/2011 14:00
(NIB) On-Call Citywide Emergency Roadway Repairs Contract FY 2010-2011	1/20/2011 14:00
RFP for Clean Lake Project	2/4/2011 14:00
(NIB) C267620 Replacement of Tidewater Avenue Sanitary Sewer Pump Station	2/24/2011 14:00
(NIB) C312210 The Rehabilitation of Sanitary Sewers in the Area Bounded	3/17/2011 14:00
(NIB) C329120 The On-Call Sanitary Sewers Emergency FY 2011-12	3/17/2011 14:00
RFP for Provision of Translation and Interpretation Services	3/25/2011 14:00
(NIB)C369620 Citywide Street Rehabilitation and Reconstruction Phase I	4/7/2011 14:00

NOTE: Projects above are in various stages of completion from Bid Process to Pending Contract Award